1. What is the Community Stabilization and Fair Rent Act?

On November 8, 2016, the residents of the City of Mountain View voted to adopt Measure V, also known as the Community Stabilization and Fair Rent Act ("CSFRA"), in order to stabilize rents by regulating rent increases for those rental units covered by the CSFRA and to require a landlord to have just cause in order to terminate a tenancy. The CSFRA is effective as of December 23, 2016. For further details of the CSFRA, please download a PDF here: www.mountainview.gov/rentstabilization

2. What types of rental properties are covered?

The CSFRA applies to the following rental units:

Rental Units with first certificate of occupancy:	Rent Increase	Just Cause	Rent Roll Back
before February 1, 1995			Dack
, , , , , , , , , , , , , , , , , , ,	Yes	Yes	Yes
between February 1, 1995 & December 23,			
2016	NA	Yes	NA
after December 23, 2016			
	NA	NA	NA
Exempt:			
✓ Single Family Homes	NA	NA	NA
✓ Condominiums			
✓ Companion Units			
✓ Duplexes			
✓ Units in hotels, motels, etc. rented			
out for less than 30 days			
✓ Units in hospital, medical care			
facility, dormitory, etc.			
✓ Government or subsidized rental			
units			

3. What are the key provisions of the CSFRA?

- a. The CSFRA establishes a base rent which is the rental rate charged on October 19, 2015. For those tenancies that commenced after October 19, 2015, the base rent shall be the initial rent in effect at the start of the tenancy.
- b. The CSFRA also limits the annual number and amount of rent increases. Rent may only be increased once each year. A rent adjustment may occur in one of two ways:
 - An **annual general adjustment of rent ("AGA")** will be set each year by the Rental Housing Committee equal to 100% of the CPI (for All Urban Consumers, SF-Oakland-San Jose Region ("CPI").
 - Rent increases pursuant to the annual general adjustment shall be no less than 2% or more than 5%.

- Landlords and Tenants may **file a petition** with the Rental Housing Committee for individual upward and downward rent adjustments.
- c. The CSFRA also limits the reasons for which a landlord can issue termination notices ("Just Cause" evictions), including: failure to pay rent, breach of lease, nuisance, criminal activity or failure to give access. Necessary repairs, owner move-in, withdrawal of the property from the rental market and demolition are also just causes for eviction and in these instances a landlord may be required to provide tenant relocation assistance, or where applicable offer first right of return to a terminated tenant.
- d. A Rental Housing Committee shall be established, consisting of 5 Committee members and 1 alternate member, comprised of Mountain View residents, appointed by the City Council.

4. What is Base Rent and the rent roll back?

Upon the effective date of the CSFRA no landlord shall charge rent in an amount that exceeds the sum of the Base Rent plus any lawful rent increases actually implemented pursuant to the CSFRA.

Base Rent needs to be set at the following levels:

- If tenancy began on or before October 19, 2015, rent would need to roll back to the rent in effect on October 19, 2015, or
- If tenancy started after October 19, 2015, rent would need to roll back to the initial rent charged at the start of the tenancy.

On September 11, 2017 the Rental Housing Committee decided to establish December 23, 2016 as the effective date of the CSFRA.

Tenants in a covered Rental Unit who do not receive information about roll-backs should communicate with their landlord/property manager. For any questions about or help with the rent rollback provisions, please contact the Mountain View Rental Housing Helpline at (650) 282-2514 or CSFRA@housing.org or consult an attorney for legal advice.

5. What is a lawful rent increase?

An annual rent increase can only be imposed according to the Annual General Adjustment ("AGA") as set by the Rental Housing Committee. On May 22, 2017 the Rental Housing Committee set the AGA for 2017 at 3.4%. According to CSFRA the first annual general rent increase can take effect starting September 1st of each year. Rent increases shall become effective only after the landlord provides at least a 30 days advance written Notice of Rent Increase pursuant to state law.

A rent increase can also be requested by a landlord, based on an individual petition for upward adjustment of rent, to be submitted to the Rental Housing Committee.

6. How often can rents be raised?

No more than one Rent increase per twelve-month period may be imposed on a tenant.

7. Are utilities, pet fees, etc. included in the Base Rent and the calculation of allowable CPI rent increase?

The CSFRA defines "Rent" to encompass all periodic payments made, including any separate fees for "Housing Services" like pet fees, parking, utility charges, etc. Per the CSFRA, even if you do not pay for any Housing Service separately, those Housing Services are still considered covered by the Rent you pay.

Any new charge that a Landlord imposes to a tenant, that was not charged on October 19, 2015 (or if you moved in after October 19, 2015, at the start of your tenancy) would be considered an increase in rent and cannot not exceed the annual general adjustment of your Base Rent for the given year (for 2017 the allowable annual increase is 3.4%). The Base Rent is the rent in effect for your rental unit on October 19, 2015 (or if you moved in after October 19, 2017 the initial rental rate charged upon initial occupancy).

If a Landlord has always charged separately for a Housing Service, such as utilities, that monthly charge is also subject to the Base Year and the annual allowed rent increase restrictions. For example, if on October 19, 2015 a tenant was charged separately \$50 for their monthly utilities, an allowed rent increase for 2017 should not exceed 3.4%, amounting to \$51.70 [\$50 + (\$50 x 3.4\%)].

8. What type of notices do landlords need to provide to tenants under CSFRA? Landlords need to provide the following type of notices to tenants:

- a. "Written Notice to Cease": a written notice that gives a tenant the opportunity to cure an alleged violation or problem concerning a Breach of Lease, a Nuisance, a Criminal Activity or Failure to Give Access, before serving a termination notice. This notice needs to provide a telephone number for the Rental Housing Committee which is 650-903-6125.
- b. "Termination Notice": a written notice in accordance with state law detailing the specific reason for termination. A landlord shall notify tenants of **their rights to relocation assistance** at the time of service of the termination notice. This Termination Notice needs to be filed with the Rental Housing Committee within 3 days of serving this notice on tenant (City of Mountain View, 500 Castro Street, Mountain View, CA 94040, to the attention of Mountain View Rental Housing Committee).
- c. "Notice of Rent Increase": Allowable rent increases pursuant to CSFRA shall become effective only after the landlord provides at least a 30 days advance written Notice of Rent Increase pursuant to state law.

9. What is a "just cause" termination?

A landlord is only permitted to issue a termination notice for any of the following reasons (causes):

- 1. Failure to pay rent
- 2. Breach of lease

- 3. Nuisance
- 4. Criminal activities
- 5. Failure to give access
- 6. Temporary vacancy due to necessary/substantial Repairs
- 7. Owner move-in
- 8. Withdrawal units from market
- 9. Demolition

10. How do I know if a termination notice complies with CSFRA?

If you would like to know whether a termination notice complies with the Urgency Ordinance and the CSFRA, please contact the Mountain View Rental Housing Helpline at (650) 282-2514 or CSFRA@housing.org. Weekly walk-in office hours at City Hall, 500 Castro Street, 1st floor, Public Works Front Conference Room, Thursdays 12pm-2pm or consult an attorney for legal advice.

11. What are the eligibility criteria for relocation assistance?

A landlord seeking to recover possession of a rental unit through certain "just cause" termination reasons as stated in the CSFRA (necessary repairs, owner move-in, withdrawal of the property from the rental market or demolition), may be required to provide relocation assistance for eligible tenants (household income not exceeding 120% of median household income). A landlord shall notify tenants of their rights to request relocation assistance at the time of service of the termination notice. Please contact the Mountain View Rental Housing Helpline at (650) 282-2514 or CSFRA@housing.org or consult an attorney for legal advice.

12. How is a petition for upward or downward adjustment of rent submitted?

Landlords will be able to file a petition for individual upward rent adjustment to ensure a fair and reasonable rate of return. Tenants will be able to file a petition for individual downward rent adjustment for three reasons: failure to maintain a rental unit in compliance with health and safety or building codes; reduced service or maintenance; or for payment of rent in excess of lawful rent. Please contact the Mountain View Rental Housing Helpline for confidential bilingual counseling and information services. Telephone number: (650) 282-2514; email: CSFRA@housing.org. Services are also provided during weekly walk-in office hours at City Hall, 500 Castro Street, 1st floor, Public Works Front Conference Room, Thursdays 12pm-2pm.

13. Is there a fee being charged to administer CSFRA?

The Rental Housing Committee is required to finance the reasonable and necessary expenses of implementing CSFRA by charging a Rental Housing Fee. Landlords are required to pay an annual Rental Housing Fee on rental units covered by the CSFRA.

14. How can I learn more about the CSFRA?

Call: 650-282-2514

Email: <u>CSFRA@housing.org</u>

Online: www.mountainview.gov/rentstabilization

E-newsletter: www.mountainview.gov/mymv

then click on Rental Housing Committee

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